M/047/013

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155

RECEIVED
MAR 21 1997
DIV. OF OIL, GAS & MINING

IN REPLY REFER TO
3504
(UT-920)
UTU-0122693

March 19, 1997

Cowboy No. 1

CERTIFIED MAIL-Return Receipt Requested

Ziegler Chemical & Mineral Corporation
C/O Mr. Robert E. Covington
P.O. Box 1845
Vernal, Utah 84078

Re: Request for Minor Modification for Partial Removal of Surface Pillar for the Cowboy-Bandana Mine Plan at Gilsonite Lease U-0122693

Dear Mr. Covington:

On March 10, 1997, the Bureau of Land Management (BLM) received a request for a minor modification to the approved Cowboy-Bandana mine plan. This minor modification includes mining the surface ore and leaving a 10-foot solid pillar of gilsonite between the first level of the mine and the bottom of the proposed surface workings. After the workings are mined from the surface, the company proposes to fill the slot with dirt and plant and revegetate the area.

BLM has done extensive research into this issue and has the following comments:

1. Past environmental analyses have stated, "If surface pillars are left, they will have a minimum thickness of 50 feet." (Wagonhound mines, March 4, 1977)

2. Other gilsonite mining plans in other nearby areas require a minimum pillar thickness of 35 feet.

3. In 1973 BLM inspected Federal lease U-0115850 (Cowboy Vein) operated by Zeigler Chemical Corporation. The following was annotated by the Area Mining Supervisor, "Approximately 260 feet southeast of the main shaft (C-2) is a caved area that has resulted from the gilsonite vein being mined too close to the surface." (See Enclosure 1). After reviewing the location of this caved area, our maps indicate that the ore pillar was approximately 30 feet thick. (See Enclosure 2)

4. On December 13, 1984, the (Bookcliffs) Area Manager stated in a decision to the Utah State Office upon reviewing lease terms for readjustment of Lease U-060748, that, "To avoid future danger created by open holes to the surface, mining to the surface will be restricted to access shafts for ventilation and personnel supplies., etc. Sufficient vein material shall be left at the surface to insure future surface stability and allow for final reclamation of the area for safe surface use."

Up to this point in time 35-50 feet was determined to be a safe pillar width by BLM.

In light of the above, BLM requests that Zeigler Chemical Corporation provide BLM with sufficient documentation to show that the 10-foot thick surface pillar will supply sufficient surface stability to insure future safe surface use. This will be provided by a licensed engineer.

If you have any questions, please contact Mr. Stan Perkes, Utah State Office, Bureau of Land Management, (801) 539-4036.

Sincerely,

For Douglas M. Koza
Deputy State Director, Natural Resources

2 Enclosures

cc: Norman Haslam,
Ziegler Chemical and Mineral Corporation
Star Route
Vernal, Utah 84078

Gordon Ziegler, Jr.
Ziegler Chemical and Mineral Corporation
100 Jericho Quadrangle
Jericho, New York 11753

Tony Gallegeos, Utah Division of Oil, Gas and Mining

ENCLOSURE #1
TO BLM MARCH 19, 1997 LETTER

U-0115850
U-0122693
U-0124568
U-0126939

Office of the Area Mining Supervisor
Conservation Division
8432 Federal Building
125 South State Street
Salt Lake City, Utah, 84111

June 6, 1973

Mr. C. Taylor Yoakam
Mesa Petroleum Company
P. O. Box 2009
Amarillo, Texas 79105

Dear Mr. Yoakam:

An onsite inspection was conducted on May 9 and 10, 1973, by W. J. Newby, mining engineer of this office, on the following Federal gilsonite leases: U-0115850, U-0122693, and U-0126939. Following is a resume of the surface conditions noted on the three leases.

1. U-0115850 (Cowboy Vein and Shafts, see Attachment A)

The New Shaft mine area located approximately 2,100 feet east and 1,250 feet south of the northwest corner of sec. 3, T. 39 S., R. 24 E., has been partially reconditioned by using a dozer. The headframe and ore bin had been removed from the property by Ziegler Chemical and Mineral Corporation prior to this inspection. Pieces of plastic pipe, scrap lumber, cable, cement bags, blasting wires, and gloves are scattered over the mine area. Wood forms are still in place around the concrete shaft cover. A 3-to 6-inch layer of gilsonite covers approximately 80 to 90 sq. ft. of ground to the northeast of the shaft. There was no visible evidence of reseeding of the area disturbed during the mining operation.

The shaft on the second mine area, located approximately 1,450 feet east and 1,100 feet south of the northwest corner of sec. 3 T. 39 S., R. 24 E., had been covered with a concrete slab. Scrap lumber, cable, hose, and other debris is scattered around the shaft cover. A 20 x 20-foot concrete pad, located approximately 70 feet to the northeast of the shaft, has scrap lumber, tin cans, an old stove, an electric motor or hoist base and other debris on and around it. Three escapeways located between this area and the New Shaft area were covered by concrete slabs and all had debris scattered around them. There was no visible evidence of any reconditioning work having been done on area other than sealing the shaft and escapeways.

The shaft (C-2) on the third mine area, located approximately 1,150 feet east and 950 feet south of the northwest corner of sec. 3, T. 39 S., R. 24 E., is covered with steel doors. One of the doors is badly bent

Encl 1

and does not properly cover the shaft opening. This condition was brought to your attention by this office in correspondence dated April 25, 1972. The shaft site is fenced but not posted. Scrap lumber, cable, galvanized pipe, steel pipe, and other debris is scattered around the shaft. Approximately 70 feet northeast of the shaft is the burned remains of a building. Numerous tin cans gas cans, scrap metal, pieces of pipe, and other debris is scattered around the remains of the building. Approximately 270 feet southeast of the shaft (C-2) two escapeways have been sealed with concrete slabs. Scrap lumber, plastic pipe, and other debris is scattered around the slabs. Approximately 260 feet southeast of the main shaft (C-2) is a caved area that has resulted from the gilsonite vein being mined too close to the surface. The hole is approximately 3 feet long and 2 feet wide. The opening is choked off about 5 feet below the surface. The underground opening extends along the center line of the vein to the west an undetermined distance (20 feet plus observed) and extends 5 feet along the center line of the vein to the east. Instructions were given to Ziegler Chemical and Mineral Corporation that the caved area was to be covered or fenced. There was no visible evidence of any reconditioning work having been done on this area other than sealing and fencing the shaft and the sealing of the escapeways.

The shaft (C-3) on the third mine area, located approximately 850 feet east and 950 feet south of the northwest corner of sec. 3, T. 39 S., R. 24 E., has been closed with a concrete slab. Cable reels, scrap lumber, and other debris is scattered around the shaft area. To the northeast of the shaft (C-3) is an area, approximately 30 feet by 75 feet, that was apparently used for stockpiling gilsonite removed from the mine. A layer of gilsonite, ranging from 3 inches to 10 inches covers the area. There was no visible evidence of any reconditioning work having been done on this area other than sealing the shaft and escapeways.

Mr. W. J. Colman contacted this office by telephone on May 11, 1973, inquiring about the status of the assignment of these leases from Mesa Petroleum to Ziegler Chemical. Mr. Colman was requested to supply this office, in the course of the telephone conversation, with a mine profile map showing the extent of mining that had been done in the New Shaft area. As of this date, this information has not been received, consequently this office does not have any indication of how close to the surface the gilsonite vein has been mined.

The only mine profile map available, dated 2/17/71, of the Cowboy vein gilsonite mines, shows only the extent that the gilsonite

vein has been mined from shaft numbers C-1, C-2, and C-3. The vein has been mined for an approximate distance of 1,650 feet along the strike of the vein. The vein has been mined to a depth varying from 140 feet to 275 feet. The soil thickness and the portion of the gilsonite vein not mined near the surface varies in thickness from 5 feet to 35 feet as measured from the mine profile.

Reconditioning work to be performed on this lease, prior to its assignment to Ziegler Chemical and Mineral Corporation, is as follows:

1. Backfill and seal with a concrete slab the area that has caved (Attachment A).

2. Fence and post with signs, warning the public of danger, the undermined area between the caved area and shaft number C-3 (Attachment A).

3. Shafts, escapeways, and subsidence areas will be fenced adequately and posted with signs informing the public of the existence of a dangerous area. These areas should be checked on a monthly basis to see that the openings remain closed and the fence intact.

4. Debris, presently scattered around the mine areas, is to be cleaned up and disposed of at the Vernal City dump.

5. Surface areas, that have been disturbed, are to be graded as near as practical to existing topographic contours occurring in the area.

6. Type, method, and scheduling of revegetation will be specified by the appropriate surface management agency.

2. U-0122693

Trenching, with a dozer, along the strike of the gilsonite vein has been done for a distance of approximately 950 feet. Seven trenches have been dug further to the northwest perpendicular to the strike of the gilsonite vein and one trench has been dug along the strike of the vein. The trenches vary in width from 15 to 20 feet, 75 to 150 feet in length and 4 to 8 feet in depth.

Reconditioning of the surface will require backfilling, regrading as near as practical to a natural contour. Type, method, and scheduling of revegetation will be specified by the surface management agency.

Lttr. to Mr. C. Taylor Yoakum, Amarillo, Texas, Subj: Resume of surface conditions on leases

3. U-0126939

No evidence of any type of work having been performed on this lease.

4. U-0124568

Not visited. Local miners report that mining was conducted in the past but none of the miners could confirm that Mesa Petroleum had mined on this lease. This office has no record of any production since the lease was issued. Another inspection is being scheduled in the Vernal, Utah, area and this lease will be visited at that time.

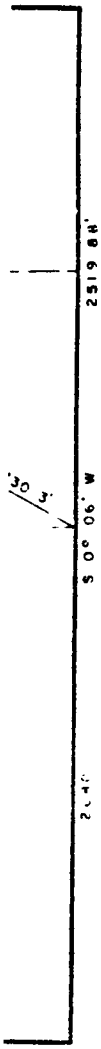
It is the opinion of the Geological Survey that at least the hazardous situations be corrected and the trash and debris on the surface be cleared now, (items 1 through 4, page 3), before an assignment is recommended. The full restoration of the surface could be deferred if Ziegler will accept responsibility for this work.

Sincerely yours,

Jackson W. Moffitt
Area Mining Supervisor

cc:
Ziegler Chemical & Mineral Corp., Great Neck, New York.
Mr. William J. Colman, Salt Lake City, Utah.
State Director, BLM, Salt Lake City, Utah
Washington

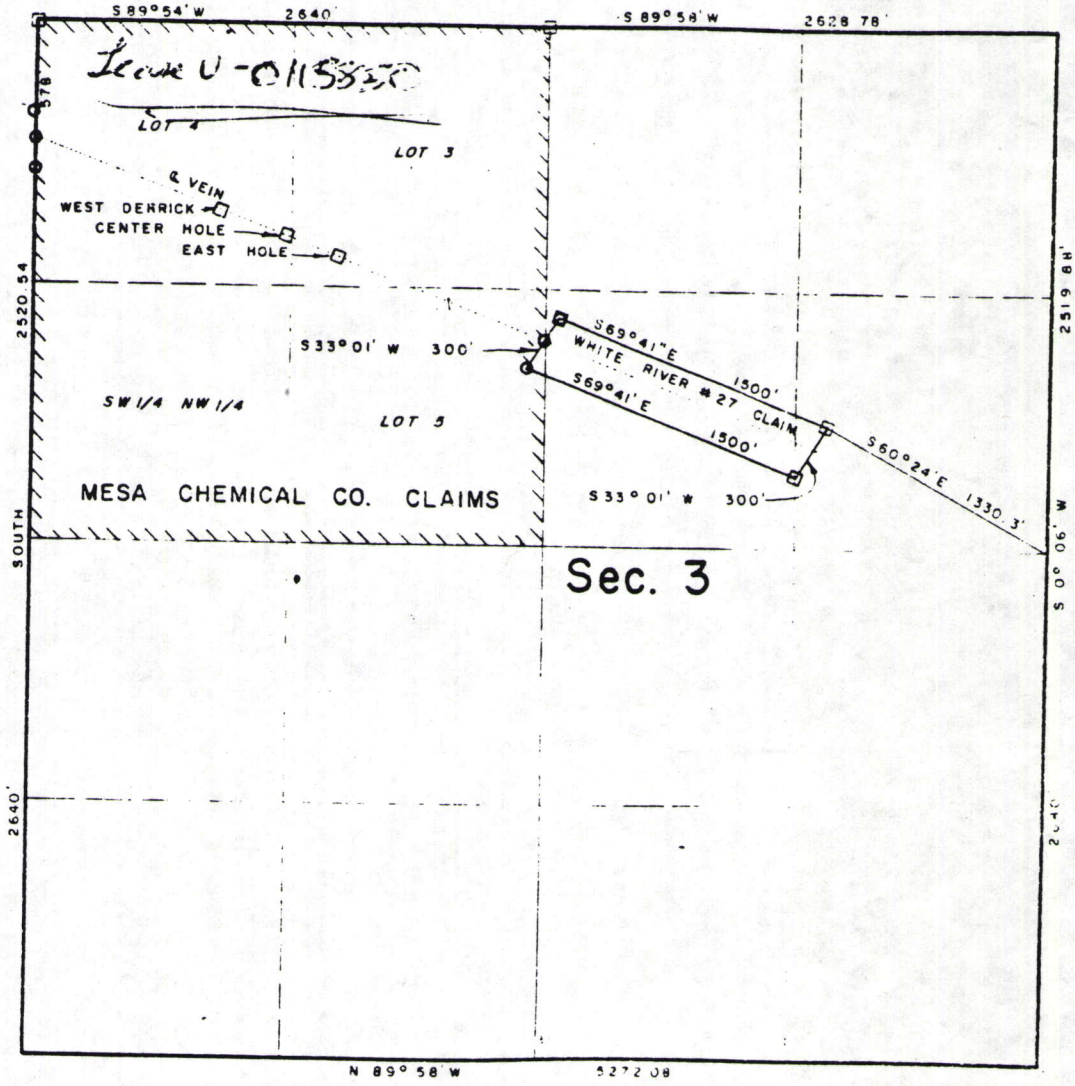
WJNewby:fo



IES

Enclosure #2
to BLM March 19, 1997 Letter

T9S, R24E, S.L.B.&M.



PLOT PLAN

SCALE 1" = 1000'

2835'

5300'

4300'

4200'

COWBOY VEIN GILSONITE MINES

MESA CHEMICAL COMPANY

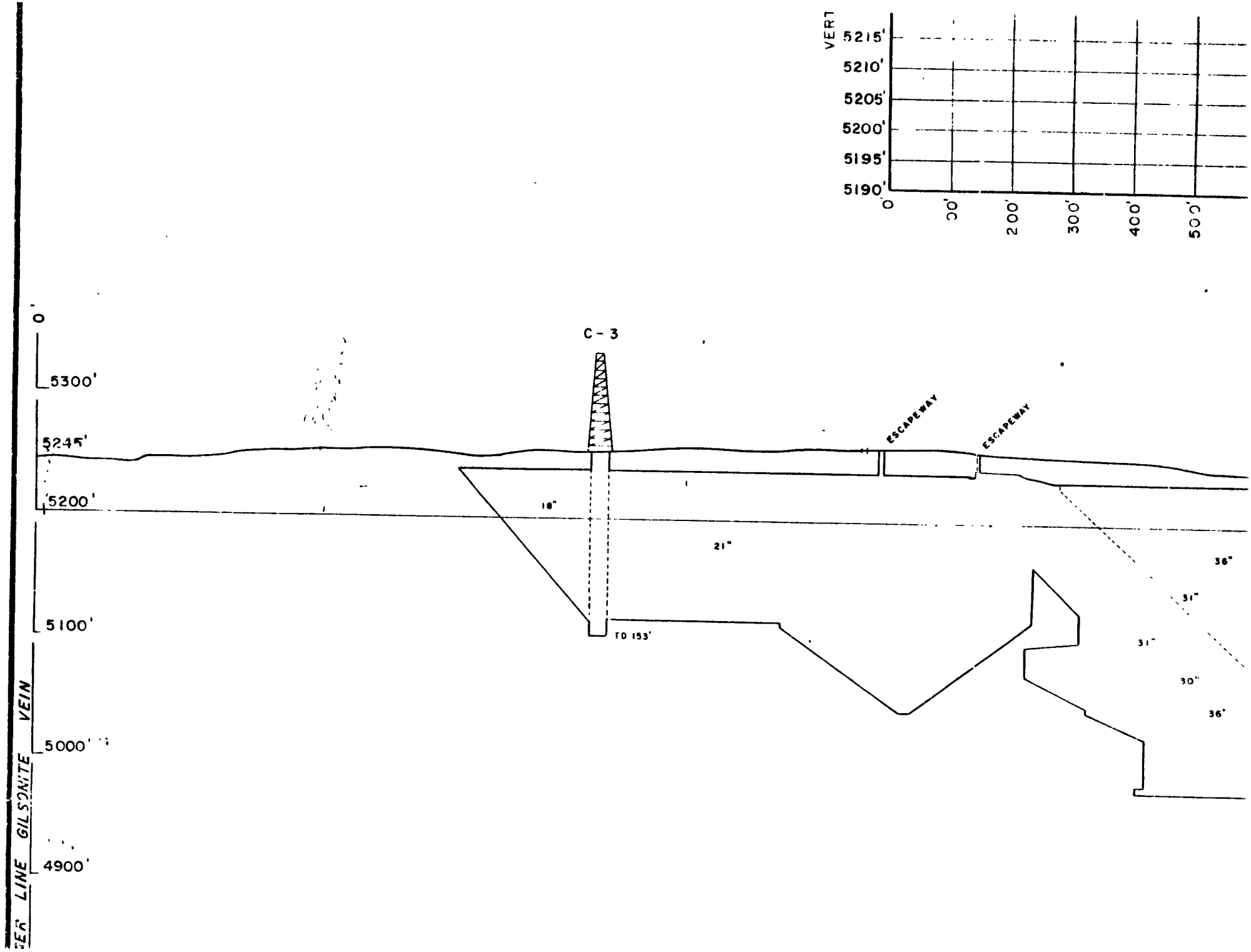
DIVISION OF MESA PETROLEUM COMPANY

UINTAH COUNTY, UTAH

U-011555.0

REVISIONS			
DATE	SURVEYED BY	DATE	DRAFTED BY
12/31/70	Bingham & Jackson	-2-77	D. Hasiem

ENCL 2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ESCAPEWAY
ESCAPEWAY
18"
21"
36"
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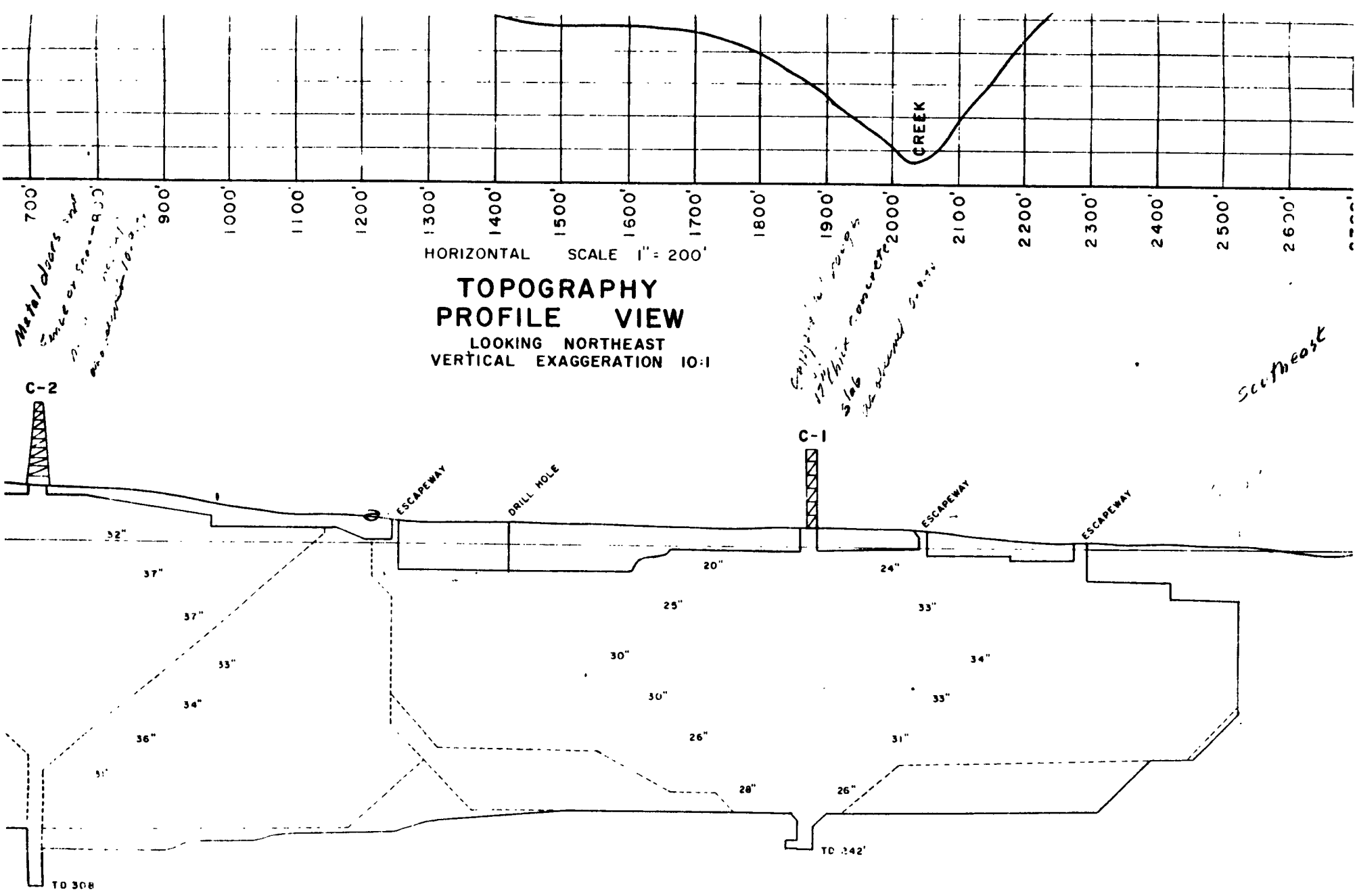
TD 153'
ER LINE GILSONITE VEIN


CREEK
700'
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2100'
2200'
2300'
2400'
2500'
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HORIZONTAL SCALE 1" = 200'
TOPOGRAPHY
PROFILE VIEW
LOOKING NORTHEAST
VERTICAL EXAGGERATION 10:1
Southeast
C-2
C-1
ESCAPEWAY
DRILL HOLE
ESCAPEWAY
ESCAPEWAY
32"
37"
37"
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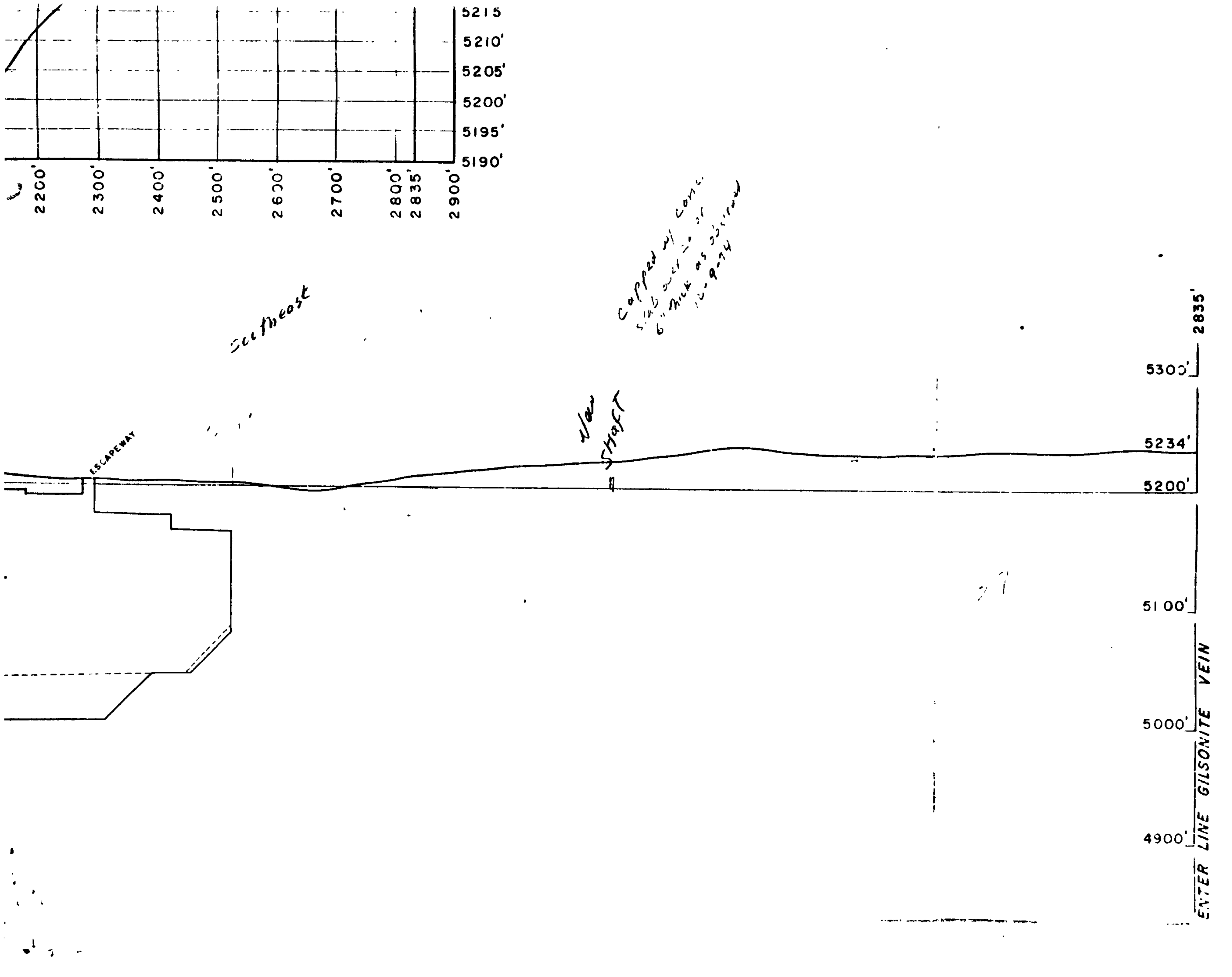
5215
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Southeast
New Shaft
ESCAPEWAY
2835'
5300'
5234'
5200'
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5000'
4900'
ENTER LINE GILSONITE VEIN